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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

vs.

D-1 MICHAEL TOWNSEND,

Defendant.

Case:2:13-cr-20459
Judge: Cleland, Robert H.
MJ: Whalen, R. Steven
Filed: 06-13-2013 At 03:58 PM
INDI USA V MICHAEL TOWNSEND (EB)

I N D I C T M E N T

THE GRAND JURY CHARGES:

COUNT ONE
(18 U.S.C. § 371 – Conspiracy)

D-1 MICHAEL TOWNSEND

GENERAL ALLEGATIONS.

1. At all times material to this indictment, International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, Local Union No. 337 [hereinafter Teamsters Local 337], was a labor organization engaged in an industry affecting commerce within the meaning of Sections 142 and 186 of Title

29, United States Code.

2. At all times material to this indictment, the defendant, MICHAEL TOWNSEND, was employed by Teamsters Local 337 as a business agent and trustee. As a business agent and trustee the responsibilities of defendant MICHAEL TOWNSEND included organizing non-union employees, negotiating and administering collective bargaining agreements, and representing the interests of union employees.

3. At all times material to this indictment, LaGrasso Brothers Produce, Inc. was a family owned business entity operating in the Detroit, Michigan area, engaged in an industry affecting commerce within the meaning of Sections 142 and 186 of Title 29, United States Code.

4. At all times material to this indictment, Sam LaGrasso Produce Company, also known as Sam LaGrasso Produce, Inc., was a business entity affiliated with LaGrasso Brothers Produce, Inc., operating in the Detroit, Michigan area.

5. At various times material to this indictment, Thomas LaGrasso, Senior, was the president of both LaGrasso Brothers Produce, Inc. and Sam LaGrasso Produce Company.

6. At various times material to this indictment, Thomas LaGrasso, Junior,

was the president of both LaGrasso Brothers Produce, Inc. and Sam LaGrasso Produce Company.

THE CONSPIRACY.

7. From at least in or about April, 2003 and continuing thereafter until in or about August, 2008, in the Eastern District of Michigan and elsewhere, defendant MICHAEL TOWNSEND and others known and unknown to the Grand Jury did knowingly and intentionally combine, conspire, confederate, and agree together and with each other to commit an offense against the United States, that is: to violate Title 29, United States Code, sections 186(a)(4) and 186(b)(1).

OBJECT OF THE CONSPIRACY.

8. The object of the conspiracy was to prevent the organization of the employees of LaGrasso Brothers Produce, Inc. by Teamsters Local 337.

MANNER AND MEANS OF THE CONSPIRACY.

9. It was a part of the conspiracy that the defendant and his coconspirators would attempt to prevent Teamsters Local 337 from organizing the employees of LaGrasso Brothers Produce, Inc., by creating another company known as Sam LaGrasso Produce Company.

10. It was further a part of the conspiracy that defendant and his coconspirators would cause collective bargaining agreements to be entered into

between Local 337 and Sam LaGrasso Produce Company to create the appearance that the employees of LaGrasso Brothers Produce, Inc. had been organized by Teamsters Local 337.

11. It was further a part of the conspiracy that defendant and his coconspirators would use LaGrasso family members and managers of LaGrasso Brothers Produce, Inc., to pose as employees of Sam LaGrasso Produce Company, and enroll them as union members of Teamsters Local 337.

12. It was further a part of the conspiracy that defendant and his coconspirators would use the purported employees of Sam LaGrasso Produce Company to pick up produce at the Detroit Produce Terminal, in part, to create the appearance that the LaGrasso family produce business was unionized.

13. It was further a part of the conspiracy that during the three year term of each collective bargaining agreement between Sam LaGrasso Produce Company and Teamsters Local 337, the defendant would receive and accept quarterly payments of money from coconspirators in exchange for his continued participation in the conspiracy.

OVERT ACTS.

14. In furtherance of the conspiracy and to effect the objects of the conspiracy, the following overt act, among others, was committed in the Eastern

District of Michigan:

(A). In or about February 2003, defendant MICHAEL TOWNSEND executed a collective bargaining agreement on behalf of Teamsters Local 337 with Sam LaGrasso Produce Company.

(B). In or about March 2006, defendant MICHAEL TOWNSEND executed a collective bargaining agreement on behalf of Teamsters Local 337 with Sam LaGrasso Produce Company.

(C). In or about August 2008, prior to his retirement, defendant MICHAEL TOWNSEND spoke with another individual who was also a business agent and trustee of Teamsters Local 337 about taking over the administration of the collective bargaining agreement then in force between Teamsters Local 337 and Sam LaGrasso Produce Company.

All in violation of Title 18, United States Code, Section 371.

COUNT TWO

29 U.S.C. §§ 186 (a)(4), (b) (1) and (d) (2) – Prohibited Payments to Labor Union Employee [Taft-Hartley Act])

D-1 MICHAEL TOWNSEND

That beginning in or about June 2005 and continuing until in or about August 2008, said dates being approximate, the exact dates being unknown to the Grand Jury, in the Eastern District of Michigan, defendant MICHAEL

TOWNSEND, an employee of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, Local Union No. 337, a labor organization engaged in an industry affecting commerce, did unlawfully and willfully request, demand, receive, and accept, and agree to receive and accept from LaGrasso Brothers Produce, Inc., an employer, the payment and delivery of money totaling in excess of \$1,000, which payment and delivery of money was made with intent to influence MICHAEL TOWNSEND with respect to his actions, decisions and duties as an employee of such labor organization.

All in violation of Title 29, United States Code, Sections 186(a)(4), 186(b)(1) and 186(d)(2).

s/Grand Jury Foreperson
GRAND JURY FOREPERSON

BARBARA L. McQUADE
United States Attorney

s/David E. Morris
DAVID E. MORRIS (P61451)
Assistant United States Attorney
U. S. Department of Justice
211 W. Fort Street, Suite 2001
Detroit, MI 48226
Telephone: (313) 226-9646
Email: Dave.Morris@usdoj.gov
DATE: June 13, 2013.

United States District Court
Eastern District of Michigan

Criminal Case Cover

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NOTE: It is the responsibility of the Assistant U.S. Attorney signing this form to complete it accurately in all respects.

Reassignment/Recusal Information

This matter was opened in the USAO prior to August 15, 2008 []

Companion Case Information	Companion Case Number: 12-CR-20648
This may be a companion case based upon LCrR 57.10 (b)(4) ¹ :	Judge Assigned: Arthur J. Tarnow
X Yes <input type="checkbox"/> No	AUSA's Initials:

Case Title: USA v. MICHAEL TOWNSEND

County where offense occurred : WAYNE COUNTY

Check One: X Felony ☐ Misdemeanor ☐ Petty

☒ Indictment/____ Information --- no prior complaint.
☐ Indictment/____ Information --- based upon prior complaint [Case number:]
☐ Indictment/____ Information --- based upon LCrR 57.10 (d) [Complete Superseding section below].

Superseding Case Information

Superseding to Case No: _____ **Judge:** _____

☐ Original case was terminated; no additional charges or defendants.
☐ Corrects errors; no additional charges or defendants.
☐ Involves, for plea purposes, different charges or adds counts.
☐ Embraces same subject matter but adds the additional defendants or charges below:

<u>Defendant name</u>	<u>Charges</u>	<u>Prior Complaint (if applicable)</u>
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Please take notice that the below listed Assistant United States Attorney is the attorney of record for the above captioned case.

June 13, 2013

Date

s/David E. Morris

DAVID E. MORRIS

Assistant United States Attorney
211 W. Fort Street, Suite 2001
Detroit, MI 48226-3277

Phone: (313) 226-9646

Fax: (313) 226-3265

E-Mail address: David.Morris@usdoj.gov

Attorney Bar #: P61451

¹ Companion cases are matters in which it appears that (1) substantially similar evidence will be offered at trial, (2) the same or related parties are present, and the cases arise out of the same transaction or occurrence. Cases may be companion cases even though one of them may have already been terminated.